

NEWS RELEASE



For Release: Thursday, April 03, 2014 14-362-ATL

SOUTHEAST INFORMATION OFFICE: Atlanta, Ga.

Technical information: (404) 893-4222 • BLSInfoAtlanta@bls.gov • www.bls.gov/regions/southeast

Media contact: (404) 893-4220

Measures of Labor Underutilization in Mississippi - 2013

In 2013, the broadest measure of labor underutilization, designated U-6 (which includes the unemployed, workers employed part time for economic reasons, and those marginally attached to the labor force), was 14.6 percent in Mississippi, down from 15.1 percent in 2012, the U.S. Bureau of Labor Statistics reported today. (See <u>table 1</u>.) Regional Commissioner Janet S. Rankin noted that the U-6 rate in Mississippi peaked at 17.6 percent in 2010, one year after the national recession officially ended. (See chart 1.) Nationally, the U-6 rate averaged 13.8 percent in 2013.

The official concept of unemployment, U-3 in the U-1 to U-6 range of measures, includes all jobless persons who are available to take a job and have actively sought work in the past four weeks. In Mississippi, 8.8 percent of the labor force was unemployed as measured by U-3 in 2013. By comparison, 7.4 percent were jobless nationwide. (The official measure of unemployment in states is derived using a statistical model that incorporates data from the Current Population Survey [CPS] and other sources, and this model-based estimate can differ from the direct CPS estimate discussed here.)

Percent
20.0

Mississippi --- United States

18.0

14.0

12.0

10.0

8.0

0-3

Chart 1. Two measures of labor underutilization, Mississippi and the United States, 2008–2013 annual averages

Source: U.S. Bureau of Labor Statistics.

2008

2009

Technical Note

2011

2012

2013

2010

The U.S. Bureau of Labor Statistics (BLS) produces six measures of labor underutilization based on Current Population Survey (CPS) data. Monthly, the BLS publishes these six measures for the United States in the Employment Situation news release. (See www.bls.gov/news.release/empsit.t15.htm.) State estimates, presented as 4-quarter averages, are provided each quarter on the BLS website. (For the most recent data see www.bls.gov/lau/stalt.htm.)

The civilian labor force is the sum of employed and unemployed persons. Those not classified as employed or unemployed are not in the labor force. The unemployment rate is the number unemployed as a percent of the labor force.

People are classified as employed if they did any work at all as paid employees during the reference week; worked in their own business, profession, or on their own farm; or worked without pay at least 15 hours in a family business or farm. People are also counted as employed if they were temporarily absent from their jobs because of illness, bad weather, vacation, labor-management disputes, or personal reasons.

People are classified as unemployed if they meet all of the following criteria: they had no employment during the reference week; they were available for work at that time; and they made specific efforts to find employment sometime during the 4-week period ending with the reference week. Persons laid off from a job and expecting recall need not be looking for work to be counted as unemployed. The unemployment data derived from the household survey in no way depend upon the eligibility for or receipt of unemployment insurance benefits. The official concept of unemployment (as measured in the CPS) is equivalent to the U-3 in the U-1 to U-6 range of measures. The other measures are provided to data users and analysts who want more narrowly (U-1 and U-2) or broadly (U-4 through U-6) defined

measures. BLS updates these measures for each state on a 4-quarter moving-average basis.

The measures for states are analyzed on a 4-quarter average basis in order to increase the reliability of the CPS estimates, which are based on relatively small sample sizes at the state level, and to eliminate seasonality. Due to the inclusion of lagged quarters, the state measures may not fully reflect the current status of the labor market. For additional information on state estimates derived directly from the CPS, see www.bls.gov/gps/notescps.htm.

Data are calculated from quarterly tables in which the components of each measure are rounded to the nearest hundred. As a result, these measures contain slightly more rounding error than that found in typical CPS annual average tabulations (in which rates are calculated based on unrounded data). Due to small state sample sizes, neither monthly nor quarterly state data from the CPS satisfy BLS publication standards.

Note that the unemployment rates (U-3) in this release are derived directly from the CPS, because this is the only source of data for the various components of the alternative measures. As a result, these U-3 measures may differ from the official state unemployment rates for the same period. The latter are estimates developed from statistical models that greatly improve the reliability of the top-side labor force and unemployment estimates. Those models, developed by the Local Area Unemployment Statistics (LAUS) program, incorporate CPS estimates, as well as input data from other sources. The model-based estimates are accessible through the LAUS home page at www.bls.gov/lau/home.htm.

The level (that is, number of persons) estimates reflect independent population estimates for each year. Because these population controls are not revised, level estimates between years are not fully comparable. However, the application of new population controls generally does not affect ratios or proportions, such as U-1 through U-6.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 800-877-8339.

Table 1. Measures of labor underutilization for Mississippi and the United States, annual averages (percent), 2011-2013

	Mississippi			United States		
Measure	2011	2012	2013	2011	2012	2013
U-1 Persons unemployed 15 weeks or longer, as a percent of the civilian labor force	6.3	5.0	4.9	5.3	4.5	3.9
U-2 Job losers and persons who completed temporary jobs, as a percent of the civilian labor force	5.9	4.4	4.4	5.3	4.4	3.9
U-3 Total unemployed, as a percent of the civilian labor force (official concept of unemployment ¹	10.5	8.9	8.8	8.9	8.1	7.4
U-4 Total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers ²	11.1	9.4	9.3	9.5	8.6	7.9
U-5 Total unemployed, plus discouraged workers, plus all other persons marginally attached to the labor force, as a percent of the civilian labor force plus all persons marginally attached to the labor force ²	12.0	11.1	10.1	10.4	9.5	8.8
U-6 Total unemployed, plus all persons marginally attached to the labor force, plus total employed part-time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the	12.0	11.1	10.1	10.4	9.5	8.8
labor force ²	16.4	15.1	14.6	15.9	14.7	13.8

¹ The U-3 rates presented are unofficial state estimates derived from the Current Population Survey (CPS). The official measure is a model-based estimate available through the Local Area Unemployment Statistics (LAUS) program at www.bls.gov/lau/data.htm.

² Persons marginally attached to the labor force are those who currently are neither working nor looking for work but indicate that they want and are available for a job and have looked for work sometime in the past 12 months. Discouraged workers, a subset of the marginally attached, have given a job-market related reason for not currently looking for work. Persons employed part-time for economic reasons are those who want and are available for full-time work but have had to settle for a part-time schedule.

Table 2. Measures of labor underutilization by state, 2013 annual averages (percent)

	Measure					
State	U-1	U-2	U-3	U-4	U-5	U-6
United States	3.9	3.9	7.4	7.9	8.8	13.8
Alabama	3.6	3.7	6.9	7.7	8.7	12.2
Alaska	2.7	3.3	6.6	7.0	8.0	12.1
Arizona	3.9	3.7	8.0	8.7	10.0	16.0
Arkansas	3.7	3.8	7.8	8.4	9.6	13.7
California	5.0	4.8	8.9	9.4	10.4	17.3
Colorado	3.4	3.3	6.6	6.9	7.6	12.5
Connecticut	4.4	4.4	7.7	8.2	9.1	13.9
Delaware	3.8	4.0	7.0	7.6	8.4	13.5
District of Columbia	5.5	4.3	8.6	9.2	10.4	14.1
Florida	4.3	4.1	7.1	7.9	8.6	14.3
Georgia	4.8	4.0	8.2	9.0	9.9	14.8
Hawaii	2.4	2.1	4.8	5.5	6.6	11.5
ldaho	2.3	2.9	6.5	6.9	7.7	12.7
Illinois	5.2	5.0	9.1	9.6	10.4	16.0
Indiana	3.9	4.2	7.7	7.9	8.7	13.2
lowa	1.7	2.3	4.7	4.9	5.5	9.2
Kansas	2.3	2.7	5.6	5.9	6.8	11.0
Kentucky	4.0	4.1	8.1	8.7	9.7	15.0
Louisiana	3.4	3.3	7.0	7.5	8.6	12.7
Maine	3.0	3.7	6.8	7.0	7.9	13.7
Maryland	3.5	3.7	6.7	7.3	8.4	12.5
Massachusetts	3.7	4.1	7.0	7.4	8.4	13.2
Michigan	4.7	4.2	8.6	9.2	10.1	15.3
Minnesota	2.1	2.7	4.9	5.2	5.9	10.6
Mississippi	4.9	4.4	8.8	9.3	10.1	14.6
Missouri	3.6	3.9	6.6	6.8	7.6	11.6
Montana	1.9	2.9	5.5	5.9	6.6	11.6
Nebraska	1.5	1.8	4.1	4.3	4.7	8.0
Nevada	5.5	5.6	9.8	10.8	11.7	18.1
New Hampshire	2.5	3.0	5.2	5.4	6.2	10.9
New Jersey	5.1	4.7	8.2	8.8	9.8	14.7
New Mexico	4.1	3.3	7.2	7.7	9.2	13.7
New York	4.6	4.5	7.6	8.3	9.2	13.8
North Carolina	4.6	4.3	7.9	8.6	9.3	14.7
North Dakota	0.9	1.5	2.9	3.0	3.5	5.6
Ohio	3.9	3.9	7.6	8.0	8.9	13.6
Oklahoma	2.2	2.7	5.6	5.9	6.8	10.2
Oregon	3.9	4.2	7.9	8.2	9.1	16.5

Note: See footnotes at end of table.

Table 2. Measures of labor underutilization by state, 2013 annual averages (percent) - Continued

	Measure					
State	U-1	U-2	U-3	U-4	U-5	U-6
Pennsylvania	4.2	4.2	7.5	8.0	9.0	13.4
Rhode Island	5.2	5.3	9.2	9.6	10.5	15.5
South Carolina	3.8	3.7	7.6	8.5	9.6	14.0
South Dakota	1.2	1.7	3.6	3.9	4.3	7.1
Tennessee	3.9	3.8	8.0	8.6	9.3	14.7
Texas	2.9	2.9	6.3	6.6	7.3	11.3
Utah	1.6	2.0	4.4	4.7	5.3	9.7
Vermont	1.7	2.2	4.3	4.6	5.3	9.3
Virginia	2.9	2.6	5.6	6.0	6.9	11.5
Washington	3.1	3.5	7.0	7.3	8.3	14.0
West Virginia	3.6	3.7	6.6	7.1	7.9	12.0
Wisconsin	3.4	3.7	6.7	7.0	7.7	12.1
Wyoming	1.6	2.2	4.6	4.9	5.5	8.4

NOTE: See table 1 for definitions of measures and related footnote information.